

EA Negotiation Communications

Boeing Aerostructures Australia

This message is being sent to all BAA employees. Managers, please share with employees without access to email.

13 November 2021

Team.

Since Thursday, BAA has received two union requests related to our upcoming Enterprise Agreement (EA) vote. We've decided to accept one request but not the other. Let me explain both requests and the reasons behind our decisions.

On Friday, Professionals Australia (PA) requested more time to review the proposed EA. We've agreed to their request, and are providing a 3 business day period for all bargaining representatives including AMWU to review the proposed agreement and outline of changes document. We have advised them of our new vote timelines, which is:

November 22-28: The access period when the proposed EA and all relevant information and documents will be available to eligible employees. Printouts of the proposed EA will be available throughout the site.

November 22-23: Information sessions will be held with employees to explain the proposed EA and answer questions.

November 29: Voting opens.

December 2: Voting closes.

December 3: Results announced.

Accepting PA's request for a few more days to review the proposed EA, after nine months of negotiations and countless revisions of our offer, was an easy decision to make. We have strived throughout the negotiations to partner with the bargaining representatives so that we can achieve the right outcome for our employees and BAA. While we could have proceeded as planned, this was the right decision to support our employees to vote "yes" on our offer. After months of work and negotiation, we believe strongly in the merits of our offer, which is also why we have said that our offer is not changing.

That helps explain why we did not accept Thursday's request from the AMWU, which was a new wages proposal that resulted from an AMWU members' survey they conducted earlier this week. They presented a new salary proposal, with wage increases of 0%, 2%, 3% and 3% over four years plus a \$550 sign-on bonus.

BAA has not accepted the AMWU proposal for several reasons that are really important to understand:

1. The feedback received from bargaining reps during the course of negotiations was that members expected a wage increase in each of the years. That is what

- we worked to and achieved in <u>our offer</u>, which has 1.5%, 1.75%, 2.25% and 2.5% wage increases across the four-year proposed agreement.
- 2. When asked if this was an endorsed position by the AMWU members, the answer was "no" and that the proposal was based on the survey results with 50% of members who participated electing for that option.
- 3. There had previously been a sign-on bonus offered to employees; the bargaining representatives agreed to give up that sign-on bonus at a meeting on October 7 in lieu of larger annual wage increases. We fulfilled that trade by lining up the annual wage increases I mentioned above.
- 4. We have explained our challenging financial situation; adding a sign-on bonus on top of the wage increases is just not realistic.

Throughout the negotiations process, we have done everything we could to get to a successful conclusion. We are almost there. We need to move forward – not backward – even if forward means a few days' delay to the vote. We have listened to PA's concerns and will continue to collaborate with them to ensure the proposed EA reflects our shared intent to have a simplified document. Reopening negotiations and considering new salary proposals at this point after all of the negotiations we've already had does not get us closer to an agreement.

We remain confident that after nine months, 25 bargaining sessions, and many proposals back and forth – during which BAA has made a number of revisions of its proposed offer – we have a fair and competitive offer that is not changing, is ready to be voted upon and hopefully will receive a "yes" vote by our EA-covered employees.

As a reminder, the first of four wage increases under the proposed agreement starts the day employees vote "Yes". Under our revised plan, voting closes December 2 and we hope that day brings some much-needed good news and early Christmas cheer to the team. It has been a tough year for all of our BAA team and for Victoria. We really hope to lock away our team's enterprise agreement, lock in the team's salary increases and start 2022 refreshed and ready to continue making airplane components!

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Matt Jones